Approved For Release 2010/08/26: CIA-RDP90-00552R000505230003-5

ASSOCIATED PRESS 23 February 1985

CIA - SOVIETS
PENTAGON, CIA CONPROMISE ON INTELLIGENCE ESTIMATE

IN AN EFFORT TO CLARIFY CONFLICTING INTELLIGENCE ESTIMATES: THE CIR AND THE PENTAGON HAVE ISSUED A JOINT STATEMENT THAT SOVIET DEFENSE SPENDING OUTSTRIPPED U.S. OUTLAYS BY MORE THAN HALF A TRILLION DOLLARS IN RECENT YEARS.

WHILE THE RATE OF GROWTH IN SOVIET DEFENSE SPENDING DID DECLINE AFTER 1976; "THE COST OF (SOVIET) DEFENSE ACTIVITIES HAS EXCEEDED THAT OF THE UNITED STATES BY A LARGE MARGIN;" THE TWO AGENCIES SAID IN A STATEMENT RELEASED FRIDAY.

According to a chart attached to the statement; the Soviet Union's military costs amounted to the equivalent of \$2.2 trillion between 1974 and 1983; compared with U.S. defense spending of \$1.6 trillion.

"While this margin has marrohed with the growth in U.S. defense spending; the Soviets still outspend the U.S. overall and in important specific categories by substantial margins;" the statement said.

THE CIA STATEMENT HAS RELEASED AT THE PENTAGON ALONG WITH A NOTATION FROM THE DEFENSE DEPARTMENT SAYING IT "ENDORSES THE ANALYSIS." IT WAS SEEN AS AN EFFORT TO CLARIFY CIA TESTIMONY BEFORE A CONGRESSIONAL SUBCOMMITTEE LAST FALL AND TO REFUTE REPORTS OF AN INTELLIGENCE RIFT BETWEEN THE MILITARY AND CIVILIAN INTELLIGENCE AGENCIES.

LAST NOV. 21: A RANKING CIA OFFICIAL TESTIFIED IN SECRET BEFORE A JOINT ECONOMIC SUBCOMMITTEE THAT THE SOVIET UNION'S DEFENSE BUDGET HAD GROWN BY ONLY ABOUT 2 PERCENT A YEAR SINCE 1976 - DOWN FROM A RATE OF 4 PERCENT TO 5 PERCENT.

WHEN A SANITIZED VERSION OF THAT TESTIMONY WAS RELEASED THURSDAY; SEN. WILLIAM PROXMIRE; D-WIS.; THE PANEL'S RANKING DEMOCRAT; CHARGED THE FINDINGS UNDERCUT MUCH OF THE REAGAN ADMINISTRATION'S JUSTIFICATION FOR HIGHER U.S. DEFENSE SPENDING.

Continued

Approved For Release 2010/08/26 : CIA-RDP90-00552R000505230003-5

 $\stackrel{\sim}{\sim}$.

THE MOVEMBER TESTIMONYS DELIVERED BY ROBERT GATESS THE DEPUTY DIRECTOR FOR INTELLIGENCES ALSO APPEARED TO CONFLICT WITH PENTAGON ASSERTIONS LAST SUMMER THAT OVERALL SOVIET MILITARY SPENDING WAS INCREASING AT THE RATE OF 3 PERCENT TO 4 PERCENT A YEAR OVER THE 1982-1983 PERIOD.

"THE (NOVEMBER) TESTIMONY HAS NOT ON SOVIET MILITARY CAPABILITIES;" THE STATEMENT BEGINS. "BECAUSE THE INFORMATION RELEASED BY THE COMMITTEE PRESENTS A NARROW VIEW OF SOVIET MILITARY GROWTH; THE CIR WISHES TO EMPHASIZE THE BROADER CONTEXT OF ITS TESTIMONY AND TO CONVEY A MORE BALANCED - THOUGH STILL PARTIAL - PICTURE OF THE SOVIET MILITARY BUILD-UP."

THE STATEMENT ALSO APPEARED TO PLAY DOWN DIFFERENCES OVER A CONTROVERSIAL PENTAGON REPORT LAST SUMMER THAT ASSERTED SOVIET SPENDING ON MAJOR HEAPONS SYSTEMS HAD INCREASED BETWEEN 5 PERCENT AND 10 PERCENT FROM 1982 TO 1983.

THE STATEMENT WENT ON TO SAY THAT "CURRENT SOVIET LEVELS OF SPENDING ARE SO HIGH ... THAT SOVIET FORCES RECEIVED IN THE YEARS 1977 THROUGH 1983 A TOTAL OF 1,100 INTER-CONTINENTAL BALLISTIC MISSILES: MORE THAN 700 SEA-LAUNCHED MISSILES: 300 BOMBERS; 5,000 FIGHTERS: SOME 15,000 NEW TANKS AND SUBSTANTIAL NUMBERS", OF SHIPS AND SUBMARINES.

"During the same period; the U.S. added to its inventory 135 inter-continental missiles; 390 sea-launched missiles; no bombers; 3,000 fighters; 5,000 tanks and 106 marships."